



DEPARTMENT OF THE NAVY
NAVSUP FLEET LOGISTICS CENTER JACKSONVILLE
P.O. BOX 97
NAS JACKSONVILLE, FLORIDA 32212-0097

4200
Ser 224.EF/114
February 1, 2017

Seaward Services, Incorporated
Attn: Jerome Best
222 Pearl Street, 3rd Floor
New Albany, IN 47150

SUBJECT: CURE NOTICE FOR CONTRACT N68836-17-C-0001

Dear Mr. Best:

1. The Performance Work Statement (PWS) for the subject contract requires you provide all Port Operations Support Services for United States Naval Station, Guantanamo Bay, Cuba (NSGB). It specifically states: "The services to be furnished under this contract include operation of multiple watercraft and boats, related maintenance services, port operations, and waterfront administration in support of NSGB. The Contractor shall be responsible for the operation, preventive, predictive, corrective maintenance of various watercrafts, boats and equipment, industrial marine repair services and shall provide port operations services. Services shall be provided on a "turn-key" basis with the Contractor providing all necessary management expertise, personnel, supplies, tools, equipment and vehicles unless otherwise specified in this contract as Government equipment furnished."
2. This contract became effective at midnight on February 1, 2017. At that time, you did not have the workforce to perform the contract. You were notified via email on February 1, 2017 of the Government's concerns regarding Seaward's inability to provide the required Port Operations Support Services for the subject contract. Specifically, Seaward Services, Inc. failed to provide adequate staff to meet the essential requirements of the PWS. The Staffing Plan included in your Technical Proposal indicated that your firm would provide 72 support personnel: Seven (7) key personnel who are U.S. Citizens and 65 Foreign National maintenance and support personnel from the Republic of the Philippines. Seaward stated, "We have broached Parman, Incorporated the agency currently used by incumbent Munilla Construction Management, LLC for staffing their maintenance and support manpower needs at NSGB. If awarded this contract our intent is to continue utilizing Parman's services for the purposes of first rehiring Filipino workers currently employed in support of the mission at Guantanamo Bay and as appropriate, recruit new Filipino employees. All workers will be considered full time, direct employees of Seaward."
3. Mr. William Annand confirmed today that Seaward could not perform the contract. You are notified that the Government considers the failure to provide adequate staffing to meet the PWS requirements is a condition that is endangering performance of the contract. Seaward must demonstrate to the Government that it can adequately staff the contract to ensure all Port Operations requirements can be accomplished in accordance with the PWS. You were issued a

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stop-work order on this date and notified that Munilla Construction Management, Inc. would be issued a one month contract to ensure continuity of services.

4. Therefore, unless within 10 days after receipt of this notice, Seaward provides a plan to commence work on March 1, 2017, the Government may terminate for cause under the terms and conditions of the Contract Terms and Conditions-Commercial Items Clause FAR 52.212-4(m), Termination for Cause of this contract.

5. If you have any questions or need further assistance, please contact Ms. Elaine Florence at 904-542-1657 or email at elaine.florence@navy.mil.

Sincerely,



A. D. WALLACE III

By direction